

## Senate Bill No. 227

### CHAPTER 838

An act to amend Sections 22509, 22801, and 22803 of, and to add Section 22508.5 to, the Education Code, and to add Section 20309 to the Government Code, relating to community colleges.

[Approved by Governor October 9, 1997. Filed  
with Secretary of State October 10, 1997.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 227, Solis. Community colleges: officers and employees.

Existing law permits members of the Public Employees' Retirement System and the State Teachers' Retirement System who are subsequently employed in a position requiring membership in the other system to, upon an election made within 60 days in writing, remain in their initial retirement system.

This bill would permit certain State Teachers' Retirement System and Public Employees' Retirement System members subsequently employed by specified state agencies in positions that would require the individual to become a member of a different retirement system, to elect coverage in either system within 60 days, in writing. The bill would require the Public Employees' Retirement System to transfer assets to the State Teachers' Retirement System when a member elects to become a member of the State Teachers' Retirement System.

*The people of the State of California do enact as follows:*

SECTION 1. Section 22508.5 is added to the Education Code, to read:

22508.5. (a) Any person who is a member of the State Teachers' Retirement System employed by a community college district who subsequently is employed by the Board of Governors of the California Community Colleges to perform duties that require membership in a different public retirement system, shall be excluded from membership in that different system if he or she elects, in writing, and files that election in the office of the State Teachers' Retirement System within 60 days after the person's entry into the new position, to continue as a member of the State Teachers' Retirement System. Only a person who has achieved plan vesting is eligible to elect to continue as a member of the State Teachers' Retirement System.

(b) A member of the Public Employees' Retirement System who is employed by the Board of Governors of the California Community Colleges who subsequently is employed by a community college

district to perform creditable service subject to coverage by this plan, may elect to have that service subject to coverage by the Public Employees' Retirement System and excluded from coverage by this plan pursuant to Section 20309 of the Government Code.

(c) This section shall apply to changes in employment effective on or after January 1, 1998.

SEC. 2. Section 22509 of the Education Code is amended to read:

22509. (a) Within 10 working days of the date of hire of an employee who has the right to make an election pursuant to Section 22508 or 22508.5, the employer shall inform the employee of the right to make an election and shall make available to the employee written information provided by each retirement system concerning the benefits provided under that retirement system to assist the employee in making an election.

(b) Any election made pursuant to subdivision (a) of Section 22508 or subdivision (a) of Section 22508.5 shall be filed with the office of the State Teachers' Retirement System and a copy of the election shall be filed with the other public retirement system. Any election made pursuant to subdivision (b) of Section 22508 or subdivision (b) of Section 22508.5 shall be filed with the office of the Public Employees' Retirement System and a copy of the election shall be filed with the office of this system.

(c) Any election made pursuant to Section 22508 or Section 22508.5 shall become effective as of the first day of employment in the position that qualified the employee to make an election.

SEC. 3. Section 22801 of the Education Code is amended to read:

22801. (a) A member who elects to receive additional service credit as provided in this chapter shall pay, prior to retirement, all contributions with respect to that service at the contribution rate for additional service credit, adopted by the board as a plan amendment, in effect at the time of election.

(b) If the member is employed to perform creditable service subject to coverage by the plan at the time of the election, the contributions shall be based upon the compensation earnable in the current school year or either of the two immediately preceding school years, whichever is highest.

(c) If the member is not employed to perform creditable service subject to coverage by the plan at the time of the election, the contributions shall be based upon the compensation earnable in the last school year of credited service or either of the two immediately preceding school years, whichever is highest.

(d) The employer may pay the amount required as employer contributions for additional service credited under paragraphs (2), (6), (7), (8), and (9) of subdivision (a) of Section 22803.

(e) The Public Employees' Retirement System shall transfer the actuarial present value of the assets of a person who makes an

election pursuant to paragraph (10) of subdivision (a) of Section 22803.

(f) Regular interest shall be charged on all contributions from the end of the school year on which the contributions were based to the date of payment.

(g) Regular interest shall be charged on the monthly unpaid balance if the member pays in installments.

SEC. 4. Section 22803 of the Education Code is amended to read:

22803. (a) A member may elect to receive credit for any of the following:

(1) Service performed in a teaching position in a publicly supported and administered university or college in this state.

(2) Service performed in a certificated teaching position in a child care center operated by a county superintendent of schools or a school district in this state.

(3) Service performed in a teaching position in the California School for the Deaf or the California School for the Blind, or in special classes maintained by the public schools of this state for the instruction of the deaf, the hard of hearing, the blind, or the semisighted.

(4) Service performed in a certificated teaching position in a federally supported and administered Indian school in this state.

(5) Time served, not to exceed two years, in a certificated teaching position in a job corps center administered by the United States government in this state if the member was employed to perform creditable service subject to coverage by the plan within one year prior to entering the service and returned to employment to perform creditable service subject to coverage by the plan within six months following the date of termination of service in the job corps.

(6) Time spent on a sabbatical leave after July 1, 1956.

(7) Time spent on an approved leave to participate in any program under the federal Mutual Educational and Cultural Exchange Program.

(8) Time spent on an approved maternity or paternity leave of two years or less in duration, regardless of whether or not the leave was taken before or after the addition of this subdivision.

(9) Time spent on an approved leave, up to four months in any 12-month period, for family care or medical leave purposes, as defined by Section 12945.2 of the Government Code, as it read on the date leave was granted, excluding maternity and paternity leave.

(10) Time spent employed by the Board of Governors of the California Community Colleges in a position subject to coverage by the Public Employees' Retirement System between July 1, 1991, and December 31, 1997, provided the member has elected to return to coverage under the State Teachers' Retirement System pursuant to Section 20309 of the Government Code.

(b) In no event shall the member receive credit for service or time described in paragraphs (1) to (10), inclusive, of subdivision (a) if the member has received or is eligible to receive credit for the same service or time in the Cash Balance Plan under Part 14 (commencing with Section 26000) or another retirement system.

SEC. 5. Section 20309 is added to the Government Code, to read:

20309. (a) A member of the Public Employees' Retirement System who is employed by the Board of Governors of the California Community Colleges and who subsequently is employed by a community college district to perform service subject to coverage by the State Teachers' Retirement System, may elect to retain coverage by the Public Employees' Retirement System for that service. An election to retain coverage under the Public Employees' Retirement System shall be submitted in writing by the member to the Public Employees' Retirement System on a form prescribed by the system, and a copy of the election shall be submitted to the State Teachers' Retirement System, within 60 days of the date the member's change in employment is effective.

(b) (1) A member who had been a member of the State Teachers' Retirement System and who changed employment and became a member of the Public Employees' Retirement System on or after July 1, 1991, but before January 1, 1998, may elect to return to coverage under the State Teachers' Retirement System if an election to do so is made in writing to each system on or before March 1, 1998. Members who elect to transfer to the State Teachers' Retirement System shall pay, prior to retirement, all contributions with respect to service in the Public Employees' Retirement System at the contribution rate for additional service credit in effect at the time of the transfer to the State Teachers' Retirement System.

(2) The Public Employees' Retirement System shall transfer the actuarial present value of the assets of a person who makes an election pursuant to this subdivision to the State Teachers' Retirement System.

(3) The Public Employees' Retirement System is not required to identify and notify members who may be eligible for the election allowed by this section.

(c) Subdivision (a) shall apply to changes in employment effective on or after January 1, 1998.